

*Subject File.*

NO CONTRACT

7 December 1982

MEMORANDUM FOR THE RECORD

SUBJECT: Meeting with Burroughs Corporation Representatives  
on 6 December 1982

STAT 1. Mr. Donald Cole, the Burroughs SAFE Accounts Manager and his immediate supervisor, Mr. Philip A. Schlimgen, today met with [ ] and myself to discuss the status of ODP's efforts to place within the Intelligence Community (IC) the Burroughs equipment declared excess with the redirection of the SAFE Project.

2. I opened the meeting with a review of those systems already installed, or that have been identified for placement, at other IC installations. Of a total of seven B6900s and one dual B7800:

- a. One B6900 is installed at DIA.
- b. One B6900 has been accepted by NSA (It was de-installed from CIA Headquarters and placed into storage awaiting site preparation completion at NSA).
- c. The B7800 dual Processor currently installed at the TRW SAFE Development Facility (DF) will also be acquired by NSA.
- d. Two B6900 processors currently installed at the DF are potentially assigned to Mr. Russell Stokes of the Naval Supply Systems Command (NSSC). He has orally indicated his intention to acquire the systems. (Don Cole noted that Russell Stokes is part of the Navy Engineering Logistics Office (NELO) of the NSSC, thus clearing up the apparent confusion over whether Mr. Stokes of the NSSC was the same individual as a potential NELO contact referred to by Burroughs personnel). I described my conversation of last Thursday with Mr. Stokes in which he stated he would prepare a letter of intent and forward it to CIA, attention this office. Mr. Cole noted that he is in close contact with Mr Stokes and believes the plan for the transfer of the two systems to NELO to be firm.

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STAT 3. The latest lead, [ ] of the Continental Security Group (CSG) (a component within the Naval Security Group) was discussed. He has shown informal interest in acquiring the remaining three B6900s installed at the DF. Mr. Cole stated he had been in touch with [ ] and has arranged to brief him on 8 December on the B6900 capabilities and to look at the requirements/equipment fit. STAT

STAT [ ]  
STAT 5. [ ] reviewed our attempts to reassign the equipment within CIA. He cited several requirements that had been surfaced but where the Burroughs equipment fit was unsuccessful. Mr. Cole inquired about special applications where the use of available software packages for the B6900, such as their procurement or civilian payroll packages, was a possibility. In response, [ ] described ODP's central processing role for those types of applications, the customized nature of CIA requirements, and reiterated our IBM-compatibility standard. The Burroughs representatives expressed mild dissatisfaction with our internal placement efforts and our lack of zeal for re-acquiring the Burroughs equipment that we recently declared excess. We further stated that it was highly unlikely that the Burroughs equipment could be placed within ODP or CIA.

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6. Mr. Cole stated he would like to ensure that every possible lead in the IC has been explored. In this regard, we agreed he should call [redacted] of NSA and determine if they feel that the IC has been fully covered. Mr. Cole again stated his view that systems in IC support roles such as logistics, payroll and administrative systems would qualify as IC placement. I suggested, given that premise and Burroughs preference for the IC to the GSA world, even if the IC placement represents a Burroughs equipment upgrade (not new business), that we revisit a Air Force lead given to Burroughs and myself by NSA. The lead which was at the Air Force Electronic Systems Command, Kelly AFB, Texas, was set aside earlier because it did not meet the then more narrowly defined criteria for IC placement. Both Mr. Cole and I will revisit this lead. He also stated he had not followed up on the McDill and Rome Air Force Base leads given to him by Colonel Forrest of the SAFE Project, but would do so. Mr. Cole also suggested that possibly there were classified organizations in the Pentagon which were not contacted. Mr. [redacted] indicated we will follow-up on this possibility with Mr. [redacted]

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7. Mr. Schlimgen made mention that the total count of machines should include three additional B6900 systems ordered by TRW (not included in the seven discussed above). [redacted] observed that he could not represent the Government on that issue and that the matter was between the Government's SAFE Contracting Officer, TRW, and the Burroughs Corporation. He further observed that we are aware of the different viewpoints on this matter and the Government position, as we understand it, is that the disputed equipment is Burroughs or TRW property. Mr. Schlimgen also implied that we should exert personal or organizational influence on fellow members of the IC to consider the use of the Burroughs systems rather than relying upon George Rogers' connections. [redacted] explained that the decentralized nature of the IC limits CIA knowledge of or influence on IC on-going activities. [redacted] emphasized [redacted] excellent position for IC ADP contacts and the IC Staff's continuing efforts on behalf of the equipment placement program.

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8. Mr. Schlimgen further observed tha the Government was 'committed' by agreement to IC placement of equipment. He also stated that the lack of success would not reflect well on Mr. Cole, himself and/or [redacted] and myself. In addition, he stated that failure to place the equipment would influence overall settlement possibilities. [redacted] replied that the Government's commitment was to 'best effort' placement in the IC and that Government parties were making a sincere effort to live up to the terms of that agreement.

9. In summary, the meeting was generally cordial though Mr. Schlimgen, in particular, seemed not pleased with the Government's efforts and interpretation of the placement agreement, or the stated position on the three B6900s in dispute. On our part, it seems reasonable to assume that Burroughs will be harassing us on placement for a considerable time to come unless some form of progress is made, either on actual placement or in contract settlement. Specifically, we intend to see that [redacted] is contacted on a few additional IC entities to be sure they were notified of the Burroughs system availability. Finally, we will cross our fingers that Mr. Cole's meeting with [redacted] of the Naval Security Group will prove fruitful and the three remaining B6900s currently on our books will be placed. [redacted] is currently our only active lead.

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STAT ODP/MS  (7Dec82) (Burr3) (vm)

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